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June 19, 1997

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## **VIA HAND DELIVERY**

Mr. William F. Caton Secretary Federal Communications Commission 1919 M Street, N.W. Room 222 Washington, D.C. 20554

Re:

Implementation of the Pay Telephone Reclassification and Compensation

Provisions of the Telecommunications Act of 1996.

CC Docket No. 96-128.

Dear Mr. Caton:

On behalf of Operator Communications, Inc. d/b/a Oncor Communications, we hereby submit for filing an original and four (4) copies of an Errata of Oncor Communications to its Petition for Waiver filed on June 2, 1997 in the above-referenced docket.

Please acknowledge receipt on the supplemental copy provided and remit same to the bearer. Please refer all questions and correspondence regarding this filing to the undersigned.

Sincerely.

Victoria A. Schlesinger

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# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of	) Cilice of Socretary
Implementation of the Pay Telephone	) CC Docket No. 96-128
Reclassification and Compensation	)
Provisions of the Telecommunications	)
Act of 1996	)
Policies and Rules Concerning	) CC Docket No. 91-35
Operator Service Access and Pay	)
Telephone Compensation	)

#### **ERRATA**

On June 2, 1997, Operator Communications, Inc. d/b/a Oncor Communications ("Oncor"), by its attorneys, submitted a Petition for Waiver in the above-referenced dockets.

Oncor would like to correct and clarify the following text contained in the Petition. These errata amend Oncor's Petition as follows:

Amend page 1, lines 14 and 15, by deleting "Oncor Communications, Inc." and replacing the text with "Operator Communications, Inc. d/b/a Oncor Communications."

Amend page 3, lines 10 and 11, by deleting "dial-around compensation for interstate calls to competitive payphone owners in equal access areas at a rate of \$.25 cents per-call" and replacing the text with "to all eligible payphone service providers at a rate of \$0.35 per-call."

Amend page 4, lines 9 and 10, by deleting "track and compensate individual 10XXX and

1-800 access code calls from competitive payphones in equal access areas" and replacing

text with "track payphone traffic and compensate payphone service providers on a per-

call basis."

Amend page 5, lines 3 and 4, by deleting "private payphone owners in equal access areas

at a rate of \$.25 per-call." and replacing the text with "all eligible payphone service

providers at a rate of \$0.35 per-call."

Amend page 5, line 6 by deleting "Oncor Communications, Inc." and replacing the text

with "Operator Communications, Inc. d/b/a Oncor Communications."

A corrected copy of the Petition for Waiver is attached.

Respectfully submitted,

OPERATOR COMMUNICATIONS, INC.

d/b/a ONCOR COMMUNICATIONS

Randall B. Lowe

Victoria A. Schlesinger

Piper & Marbury L.L.P.

1200 Nineteenth Street, N.W.

Washington, D.C. 20036

(202) 861-3900

Date: June 19, 1997

- 2 -

## **CERTIFICATE OF SERVICE**

I, Victoria A. Schlesinger, hereby certify that a copy of the foregoing Errata was sent to each of the following parties by hand delivery on this 19th day of June, 1997.

Michael Carowitz Common Carrier Bureau Federal Communications Commission 2025 M Street, NW, Room 6008 Washington, DC 20554 International Transcription Service 1231 20th Street, NW Washington, DC 20037

Regina Keeney, Chief Common Carrier Bureau Federal Communications Commission 1919 M Street, Room 500 Washington, DC 20554 Michael K. Kellogg Jeffrey A. Lamken Kevin J. Cameron Kellogg, Huber, Hansen, Todd & Evans 1301 K Street, NW, Suite 1000 West Washington, DC 20005

Victoria A. Schlesinger

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
	)	
Policies and Rules Concerning	)	CC Docket No. 91-35
Operator Service Access and	)	
Pay Telephone Compensation	)	

#### PETITION FOR WAIVER

## Introduction

Currently, the Commission prescribes compensation for owners of competitive public payphones when calls are routed to providers of operator services that are other than the presubscribed operator service provider. Section 64.1301 of the Commission's Rules requires that such compensation be paid by operator service providers with revenues in excess of \$100 million. Pursuant to Section 1.3 of the Commission's Rules, Operator Communications, Inc. d/b/a Oncor Communications ("Oncor") respectfully requests a waiver of Section 64.1301 of the Commission's Rules to excuse Oncor from its interim obligations to compensate private payphone owners for interstate calls dialed around the presubscribed operator service provider, or in the alternative, to permit Oncor to compensate competitive payphone owners on a per-call basis between the period of November 6, 1996 and October 1, 1997.

<sup>&</sup>lt;sup>1</sup>47 C.F.R. § 64.1301 (1996).

<sup>&</sup>lt;sup>2</sup>Id.

<sup>&</sup>lt;sup>3</sup>The period between November 6, 1996 and October 1, 1997 is that period during which the Commission prescribed an interim compensation mechanism to compensate pay telephone owners until per-call compensation can be implemented in accordance with the Telecommunications Act of 1996. See Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, et al., Report and Order, FCC 96-388, released Sept. 20, 1996 (hereinafter "Pay Telephone Reclassification Order").

## I. Oncor Does Not Have Annual Toll Revenues in Excess of \$100 Million

On September 20, 1996, the Commission adopted a Report and Order in the above-referenced docket establishing an interim flat rate compensation mechanism.<sup>4</sup> The interim compensation mechanism was established to compensate payphone service providers until the new rules requiring per-call compensation take effect on October 7, 1997. In that Report and Order, the Commission determined that all interexchange carriers ("IXCs") with annual toll revenues in excess of \$100 million, as reported in the FCC staff report entitled "Long Distance Market Shares," would be responsible for compensating private payphone owners by an amount relative to their share of toll revenues.<sup>5</sup> The Commission stated that, "[f]or reasons of administrative convenience of the parties, we conclude that we should model the interim mechanism adopted in this Report and Order on that set forth in the access code call compensation proceeding."<sup>6</sup>

Although Oncor did report annual toll revenues in excess of \$100 million in 1995,<sup>7</sup> it did not report annual toll revenues in excess of \$100 million in 1996.<sup>8</sup> Consequently, for the calendar year 1996, Oncor's annual toll revenues fell below the revenue threshold established by the Commission triggering interim compensation obligations. However, both Appendix F to the Report and Order and the most recent Long Distance Market Shares report, while titled "Long Distance Market Shares: Fourth Quarter, 1996," contain annual revenue data from 1995, rather

<sup>&</sup>lt;sup>4</sup>Id., ¶ 119.

<sup>&</sup>lt;sup>5</sup>See id.

<sup>6&</sup>lt;sub>ld</sub>.

<sup>&</sup>lt;sup>7</sup>See Pay Telephone Reclassification Order, Appendix F.

<sup>&</sup>lt;sup>8</sup>See attached Affidavit of Marvin L. Mason.

<sup>&</sup>lt;sup>9</sup>The most recent Long Distance Market Shares report was released March 28, 1997.

than 1996. Thus, the Long Distance Market Shares report does not contain updated annual revenue data.

Because Oncor does not currently meet the \$100 million revenue threshold established by the Commission, and has not met that threshold in more than a year, Oncor respectfully requests that it be excused from any compensation obligations under Section 64.1301 of the Commission's Rules between the period of November 6, 1996 and October 1, 1997.

## II. Per-Call Compensation Request

Should the Commission decide not to excuse Oncor from its payment obligations pursuant to Section 64.1301 of the Commission's Rules, Oncor alternatively petitions for a waiver allowing it to pay interim compensation to all eligible payphone service providers at a rate of \$0.35 per-call. In this Petition, Oncor is seeking the same relief the Commission granted to Oncor in a Memorandum Opinion and Order released on March 7, 1997. The same relief was also granted to AT&T in a Memorandum Opinion and Order released on December 29, 1994, and to Sprint in a Memorandum Opinion and Order released on May 19, 1995 in the above-referenced proceeding.

In its <u>Second Report and Order</u> implementing a payphone compensation mechanism, the Commission concluded that such compensation would be based on a per-phone, rather than a per-call basis for interstate, interLATA access code calls.<sup>11</sup> This decision was based on the Commission's understanding that many private payphone owners and carriers lacked the tracking

<sup>&</sup>lt;sup>10</sup>The Memorandum Opinion and Order authorized Oncor to pay, for the period of April 1, 1996 through November 5, 1996, compensation to competitive payphone providers at the rate of \$.25 per interstate access code call. Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, Memorandum Opinion and Order, CC Docket No. 91-35, released March 7, 1997.

<sup>&</sup>lt;sup>11</sup>Id. ¶ 13.

capability necessary for a per-call mechanism.<sup>12</sup> The Commission did state in that proceeding, however, that a per-call mechanism would be preferable because it would encourage private payphone owners to place payphones at locations generating the most payphone traffic.<sup>13</sup> On February 8, 1996, Congress affirmed the industry's preference for a per-call compensation mechanism in Section 276 of the Telecommunications Act of 1996. On September 20, 1996, the Commission released a Report and Order establishing a new per-call compensation plan pursuant to Section 276.<sup>14</sup>

Much like AT&T and Sprint, Oncor is now in a position to track payphone traffic and compensate payphone service providers on a per-call basis. As Sprint Communications Company stated in its Petition for Waiver submitted in the above-referenced docket, the waiver granted to AT&T on December 29, 1994<sup>15</sup> would be generally applicable to any carrier having the capability to track and compensate on a per-call basis. Accordingly, Oncor requests that the Commission allow Oncor to fulfill its payment obligations via the method preferred by the Commission and IXCs alike.

<sup>&</sup>lt;sup>12</sup><u>Id.</u> ¶ 8.

<sup>&</sup>lt;sup>13</sup>Id. ¶ 13.

<sup>&</sup>lt;sup>14</sup>See generally Pay Telephone Reclassification Order, ¶¶ 20-126.

<sup>&</sup>lt;sup>15</sup>In the Matter of Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, Memorandum Opinion and Order, DA 94-1612, released December 29, 1994.

<sup>&</sup>lt;sup>16</sup>In the Matter of Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, Sprint Petition for Waiver, FCC 91-35, filed February 27, 1996, at 2.

# Conclusion

Oncor respectfully requests the Commission to grant its Petition for Waiver by excusing Oncor from its payment obligations or, in the alternative, permitting Oncor to compensate all eligible payphone service providers at a rate of \$0.35 per-call.

Respectfully submitted,

OPERATOR COMMUNICATIONS, INC. d/b/a ONCOR COMMUNICATIONS

Randall B. Lowe

Victoria A. Schlesinger

Piper & Marbury L.L.P.

1200 Nineteenth Street, N.W.

Washington, D.C. 20036

(202) 861-3900

Its Attorneys

Date: June 19, 1997

#### AFFIDAVIT

STATE OF TEXAS

COUNTY OF DALLAS

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BEFORE ME, the undersigned official, on this day personally appeared Marvin L. Mason, who is personally known to me to be the Chief Financial Officer of Operator Communications, Inc. d/b/a Oncor Communications (the "Company"), and after being first duly sworn according to law, upon his oath deposed and said:

- My name is Marvin L. Mason. I am over the age of twenty-one (21) years, and am competent to make this Affidavit. I am personally in all respects, qualified to make this Affidavit. The facts as set forth herein are within my personal knowledge, and are true and correct.
- I am the Chief Financial Officer of Operator Communications, Inc. d/b/a Oncor Communications.
- The annual toll revenues of the Company for calendar year 1996 were less than \$100,000,000.00.

FURTHER AFFIANT SAITH

MARVIN L. MASON

This instrument was acknowledged before me on the 2nd day of June, 1997, by Marvin L. Mason.

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